United Nations E/ICEF/2016/L.8

Economic and Social Council

15 June 2016

Original: English

For decision

United Nations Children's Fund
Executive Board
Annual session 2016
14-16 June 2016
Agenda item 8

Draft decision submitted to the Executive Board

Internal Audit and Investigations

The Executive Board

1. *Takes note* of the Office of Internal Audit and Investigations 2015 annual report to the Executive Board (E/ICEF/2016/AB/L.3);

2. *Welcomes* the inclusion of a limited audit opinion on the adequacy and effectiveness of the UNICEF framework of governance, risk management and controls in the Office of Internal Audit and Investigations annual report, and notes with appreciation the general satisfactory ratings with regard to the functioning of governance, risk management and controls;

3. *Notes with appreciation* the increased organizational transparency generated by the disclosure of UNICEF internal audits, in accordance with decision 2012/13 of the Executive Board;

4. *Welcomes* the data provided in the report on disciplinary and/or administrative action taken against perpetrators of misconduct, and encourages management to ensure accountability for any wrongdoing;

5. *Notes* several areas of recurring weakness, including results-based management and reporting, governance and accountability and supply and logistics, appreciates the information provided by management regarding efforts to address these weaknesses and urges management to continue and to intensify efforts to address these issues and provide information in future reports on the impact of measures that they have taken;

6. *Notes with concern* the low levels of defrauded funds reported as recovered and urges management to address this issue as a matter of priority, including identifying obstacles hindering the timely recovery of defrauded funds;

Please recycle

7. *Also notes with concern* that fraud and the misuse of programme funds by third parties remain recurring issues and increased in 2015, and urges UNICEF to address this issue as a matter of priority, including increasing the internal capacity to manage implementing partners.